

## **Historic, Archive Document**

Do not assume content reflects current scientific knowledge, policies, or practices.



42 81.3939

F76 U.S. Department of Agriculture • Foreign Agricultural Service • Washington, D.C.

# foreign agriculture circular

U.S. DEPT. OF AGRICULTURE  
NAT'L AGRIC. LIBRARY  
RECEIVED

MAR 9 '79  
processed fruits

PROCUREMENT SECTION  
CURRENT SERIAL RECORDS

FCAN 5-78  
November 1978

## CANNED DECIDUOUS FRUIT PACKS FOR 1978 UP IN AUSTRALIA, DOWN IN SOUTH AFRICA

Revised estimates place the 1978 Australian canned deciduous fruit pack at 6,258,000 cases<sup>1</sup>, up 5 percent from the previous year's level. Exports during the 1978 season, forecast at 3,870,000 cases<sup>2</sup>, are up almost one-fourth from the year-earlier total, led by sharp increases in canned fruit cocktail and canned pear sales.

The South African pack for 1978 is placed at 9,014,000 cases, slightly above preliminary estimates but 11 percent below the 1977 output. Exports are expected to drop by 4 percent to 8,062,000 cases<sup>2</sup>.

Although still uncertain, the outlook for the 1979 season in both countries is favorable. Present indications show little change in the Australian pack from the current level, although output of canned apricots and peaches should show an improvement. The South African pack is expected to be close to the 1977 level of about 10 million cases.

### Australia

The 1978 canned deciduous fruit pack increased by 5 percent over the previous year's total to 6,258,000 cases, as reduced canned apricot and clingstone peach packs were offset by higher outputs of canned freestone peaches, pears, and fruit cocktail.

The canned apricot pack fell by almost one-half to 338,000 cases, as poor crops were harvested in all states. In addition to generally low yields, bad weather conditions just prior to the harvest caused splitting and brown rot damage. Early season high prices for fresh fruit also added to the decline in the canned pack, as more fruit was attracted to the fresh market.

Although production of canned freestone peaches increased from 17,000 to 21,000 cases in 1978, the total canned peach pack, estimated at 2,313,000 cases, fell by 13 percent from the year-earlier level—largely the result of the poor sizing of clingstones in the Goulburn Valley, Victoria, in addition to tree removals during the past few years.

The canned pear pack, placed at 2,233,000 cases, rose by more than one-third from the year-earlier total. The Bartlett pear crop was excellent, and fruit was generally well sized. Although canners were cautious about

increasing production because of oversupply problems experienced in past years, they did increase intake when it became evident that the Italian canned pear pack would be short.

Improved marketing opportunities, coupled with the high proportion of fruit that was unsuitable for straight packs, resulted in an increase of almost one-third in the fruit cocktail pack to 1,374,000 cases. The pack was comprised of 648,000 tons of diced two-fruits<sup>3</sup> and 726,000 cases of fruit cocktail. Canners did not pack canned fruit salad because of declining domestic demand.

Total canned deciduous exports during the first 6 months (January-June) of the 1978 season totaled 2,078,000 cases—14 percent above the volume of the corresponding period a year ago. Exports during the full marketing are placed at 3,870,000 cases, up by almost one-fourth.<sup>2</sup>

Canned peach sales rose slightly to 738,370 cases, with purchases by Japan and the United Kingdom accounting for over one-half of the total. Another 22 percent went to Canada, while other significant purchases were made by Denmark, Sweden, and Ireland, each taking between 15,000 and 25,000 cases. Exports during 1978 are placed at 1.4 million cases.

January-June 1978 canned pear exports reached 946,000 cases, up 25 percent from the level of the same period in 1977. The largest buyer was the United Kingdom, with 37 percent of the market, followed by West Germany with 19 percent. Canada and Japan bought another 17 percent and 10 percent, respectively, with the remainder sold to Norway, Sweden, Denmark, and the Netherlands. For calendar 1978, exports are forecast at 1.6 million cases.

Exports of mixed fruits during January-June totaled 352,000 cases, comprised of 122,000 cases of two-fruits and 230,000 cases of fruit cocktail. The United Kingdom and Canada were leading buyers of fruit cocktail, purchasing 26 percent and 28 percent of all sales, respectively. Other important markets were Japan, Scandinavia, and the Middle East. The United Kingdom, Canada, and Japan were the only significant buyers of canned two-fruits, taking 34,000, 26,000, and 45,000 cases, respectively. Exports of canned mixed fruits during 1978 are forecast at 800,000 cases.

<sup>1</sup>45 lb or 20.4 kg, net weight basis. <sup>2</sup>Excluding canned apples, for which data are unavailable.

<sup>3</sup>Mixed peaches and pears.

Canned apricot sales overseas during January-June totaled 33,000 cases, down one-fifth from the level of the same period in 1977. Canada, the United Kingdom, Sweden, and Denmark were the major buyers, while small quantities were also shipped to the Middle East, Singapore, and the Pacific islands. Canned apricot sales in 1978 are forecast at about 70,000 cases.

The domestic market for canned deciduous fruits has shown little change in recent years, remaining at about 3 million cases. Deliveries for sales on the domestic market during 1978 are forecast to reach about 1.5 million cases of canned peaches, 600,000 cases of canned pears, 600,000 cases of canned mixed fruit, and 350,000 cases of canned apricots.

Beginning stocks for the 1978 marketing year were reduced to a relatively low level—a result of aggressive export marketing during the 1976 season and voluntary fresh fruit intake restrictions in 1977. During the 1978 season, there was reasonably good demand in export markets, and it is anticipated that the December 31 stocks will be at a minimum acceptable level for normal trading requirements.

The Fruit Growing Industry Reconstruction Program, which was initiated in 1972, was completed at the end of 1977. Under this program, aimed at alleviating over-capacity problems, compensation was paid to growers for tree removal and farm amalgamation. Approximately 8,700 hectares of trees were approved for removal, of which about 3,500 hectares were utilized to produce peaches and pears for canning. In addition, various takeovers and closures have reduced canning capacity.

The industry is now confined to five major canneries, four of which are cooperatives and one a proprietary company. Three of the four cooperatives formed a joint selling and distribution operation, while the fourth cooperative coordinates its marketing policies with this group. This restructuring of the growing and processing sectors is expected to increase industry coordination and stability.

These adjustments in production and processing capacity and the sharp reduction in stocks have placed the industry on a more stable economic footing. Little change in domestic market demand is anticipated and production fluctuations in the future will mainly be reflected in export availability.

## South Africa

The total amount of canners' intake of fresh apricots, pears, and peaches in 1978 declined by almost 18 percent from the previous year's total because of the lower availability of fresh fruit. The drop in the supply of fresh fruit was caused by very wet conditions at the end of the winter of 1977 (July/August), which resulted in damage to trees and in disease problems. Pears, in particular, were in short supply because wind, hail, and frost damage lowered the quality and size of the fruit.

The canned deciduous fruit pack in 1978, which fell by 11

percent from year-earlier level, does not reflect the significantly reduced intake of fresh fruit. This is attributed to the increased availability of fresh apples, which resulted in an increase in the canned apple pack of 5 percent to 275,000 cases, and an 8.5 percent increase in the canned apricot pack to 794,000 cases. This increase was caused by a switch from apricot jam production to canning, as jam stocks were high.

Canned mixed fruit production dropped by 12 percent to 1,741,000 cases, and the canned peach pack fell by 13 percent to 4,749,000 cases, which reflected the reduced intake of fresh fruit. However, canned pear production, placed at 1,455,000 cases, fell by a much smaller amount than the reduced intake figures would suggest. This was because canners packed all pears that made the grade into straight packs and cut back on mixed fruit and other pear products.

Domestic consumption in South Africa accounts for a relatively small portion of the pack and in 1976 accounted for 9.6 percent of total production, ranging from 8.1 percent for apricots and 12.1 percent for fruit cocktail. Because of the country's relatively small population and high prices, consumption growth is expected to be very slow. Consumption as a percentage of production in 1977 and 1978 (season beginning November 1) is estimated as follows:

	1977	1978
	Percent	
Apricots .....	5	5
Peaches .....	10	11
Pears .....	11	14
Fruit cocktail .....	11	12

Exports of the major canned deciduous fruit during the 1978 season are expected to fall from year-earlier levels, led by a 6 percent drop in canned peach sales to 4,300,000 cases followed by slight declines in canned pear and mixed fruit exports to 1,550,000 cases and 1,500,000 cases, respectively. Canned apricot sales are expected to increase by more than one-tenth to 712,000 cases.

The 1978 ending stocks of peaches are estimated at 897,000 cases, about 9 percent lower than last year's and 8 percent lower than the 1973-77 average of 978,000 cases. Ending stocks of mixed fruit are expected to be 509,000 cases, up 5 percent from the previous year's total. Pear stocks are down by almost 51 percent from last year's level to 287,000 cases, the lowest since 1973. Apricots are estimated at 230,000 cases, 21 percent above last year's level and the highest since 1975.

The 1977/78 minimum farm prices for canning grades were increased by between 7 and 8 percent, but actual prices paid producers by canners increased from 8.5 percent for apricots to 18.7 percent for pears, as the short crop brought high returns.

This circular was prepared by Carol M. Brick-Turin, Horticultural and Tropical Products Division, FAS Commodity Programs. Telephone (202) 447-2083.



CANNED FRUIT: PRODUCTION IN AUSTRALIA AND SOUTH AFRICA, 1974-1978  
(Thousand cases, equivalent 24 2½ cans)<sup>1/</sup>

Commodity and Country	1974	1975	1976	1977	1978
<u>APPLES</u> <sup>2/</sup>					
South Africa .....	278	187	247	262	275
<u>APRICOTS</u>					
Australia .....	553	647	423	602	338
South Africa .....	478	717	480	732	794
<u>PEACHES</u>					
Australia .....	2,519	3,739	2,879	2,656	2,313
South Africa .....	6,105	6,250	5,890	5,443	4,749
<u>PEARS</u>					
Australia .....	3,102	2,869	1,739	1,654	2,233
South Africa .....	1,506	1,559	1,828	1,712	1,455
<u>MIXED FRUIT</u>					
Australia .....	1,370	1,659	1,070	1,039	<sup>3/</sup> 1,374
South Africa .....	1,819	1,643	1,728	1,974	1,741
<u>TOTAL</u>					
Australia .....	7,544	8,914	6,111	5,951	6,258
South Africa .....	10,186	10,356	10,173	10,123	9,014

<sup>1/</sup> 45 lb or 20.4 kg, net weight basis. <sup>2/</sup> Australia production not available.

<sup>3/</sup> Two-fruits and fruit cocktail only; fruit salad has been discontinued.

SOURCE: FAS Attaché Estimates.

CANNED FRUIT: EXPORTS FROM AUSTRALIA AND SOUTH AFRICA, 1974-1978  
(Thousand cases, equivalent 24 2½ cans<sup>1/</sup>)

Commodity and Country	Calendar Year				
	1974	1975	1976	1977	1978 <sup>2/</sup>
<u>APPLES</u>					
Australia .....	31.9	14.7	24.1	28.2	---
South Africa .....	69.2	111.1	86.2	118.1	---
Total .....	101.1	125.8	110.3	146.3	---
<u>APRICOTS</u>					
Australia .....	169.9	181.6	83.5	81.5	70.0
South Africa .....	380.0	405.0	613.0	636.0	712.0
Total .....	549.9	586.6	696.5	717.5	782.0
<u>PEACHES</u>					
Australia .....	1,637.5	1,601.0	1,853.6	1,317.5	1,400.0
South Africa .....	4,623.0	4,420.0	6,241.0	4,575.0	4,300.0
Total .....	6,260.5	6,021.0	8,094.6	5,892.5	5,700.0
<u>PEARS</u>					
Australia .....	2,028.4	1,398.7	1,780.9	1,240.0	1,600.0
South Africa .....	1,091.0	1,096.0	1,574.0	1,589.0	1,550.0
Total .....	3,119.4	2,494.7	3,354.9	2,829.0	3,150.0
<u>FRUIT COCKTAIL</u>					
Australia					
Two-Fruits .....	404.8	265.9	226.3	224.2	3/800.0
Cocktail .....	594.3	512.2	521.6	254.8	---
South Africa .....	1,311.0	1,106.0	1,940.0	1,586.0	1,500.0
Total .....	2,310.1	1,884.1	2,687.9	2,065.0	2,300.0
<u>GRAND TOTAL</u>					
Australia <sup>4/</sup> .....	4,866.8	3,974.1	4,490.0	3,146.2	---
South Africa <sup>2/</sup> .....	7,474.2	7,138.1	10,454.2	8,504.1	---

--- Denotes not available, unknown, or not applicable.

<sup>1/</sup> 45 lb or 20.4 kg, net weight basis. <sup>2/</sup> Attaché's estimate. <sup>3/</sup> Two-fruits and cocktail combined. <sup>4/</sup> Official trade data.

SOURCE: Attaché Estimates and Official Trade Data.